

## Message Text

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PAGE 01 STATE 006732  
ORIGIN EB-08

INFO OCT-01 NEA-10 ISO-00 COME-00 CIAE-00 DODE-00  
DOTE-00 FMC-02 INR-07 NSAE-00 CG-00 DLOS-09  
OES-07 DOE-11 SOE-02 /057 R

DRAFTED BY EB/TCA/MA:CTAYLOR, JR.:W  
APPROVED BY EB/TCA/MA:CTAYLOR, JR.  
EB/FSE - JTODD  
NEA/ARP - JZIOLOWSKI  
MARAD - TCHRISTENSEN  
-----113531 110805Z /11

R 102317Z JAN 78  
FM SECSTATE WASHDC  
TO AMEMBASSY KUWAIT

UNCLAS STATE 006732

E.O. 11652: N/A

TAGS: EWWT, KU

SUBJECT: REPORTED KUWAITI CARGO PREFERENCE MEASURES

REF: 77 STATE 259188

1. IN VIEW OF INCREASING CONCERN IN US MARITIME COMMUNITY  
OVER REPORTED KUWAITI CARGO PREFERENCE REQUIREMENTS, WOULD  
APPRECIATE RESPONSE TO REFTEL SOONEST.

2. WASHINGTON-BASED TRANSPORTATION INSTITUTE (AFFILIATED  
WITH SEAFARERS INTERNATIONAL UNION) RECENTLY EXPRESSED  
STRONG CONCERN TO DEPARTMENT OVER REPORTED REQUIREMENT  
THAT ALL LNG SOLD TO US MUST BE CARRIED IN KUWAITI-FLAG  
VESSELS. TRANSPORTATION INSTITUTE ALSO REPORTS THAT GOK  
HAS QUOTE PROPOSED UNQUOTE THAT AT LEAST 50 PERCENT OF LPG  
BE SHIPPED IN KUWAITI-FLAG VESSELS. DEPARTMENT WOULD APPRE-  
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PAGE 02 STATE 006732

CIATE ANY INFORMATION EMBASSY CAN PROVIDE ON STATUS-OF THIS  
QUOTE PROPOSAL UNQUOTE.

3. TRANSPORTATION INSTITUTE ALSO REPORTS THAT NORTHERN  
PROPANE OF HOUSTON (SUBSIDIARY OF NORTHERN NATURAL GAS  
OF OMAHA) WILL SOON COMPLETE CONTRACT NEGOTIATIONS WITH  
GOK FOR PURCHASE OF LPG AND HOPES TO START DELIVERIES TO

US IN LATE 1978 OR EARLY 1979. ACCORDING TO TRANSPORTATION INSTITUTE, SHIPMENT WILL BE DIVIDED EQUALLY BETWEEN VESSELS BELONGING TO KUWAIT OIL TANKER COMPANY (KOTC) AND TO NORTHERN NATURAL GAS. NORTHERN'S LPG CARRIERS, HOWEVER, WILL BE BUILT IN POLAND AND WILL FLY KUWAITI FLAG; THUS 100 PERCENT OF SHIPMENTS WILL BE IN KUWAITI FLAG VESSELS. CAN EMBASSY SHED ANY LIGHT ON WHETHER:

A) USE OF KOTC SHIPS FOR HALF OF NORTHERN SHIPMENTS IS RESULT OF GOK CARGO PREFERENCE REQUIREMENTS; AND

B) DECISION TO REGISTER NORTHERN VESSELS UNDER KUWAITI FLAG RESULTS FROM EITHER EXPLICIT OR DE FACTO GOK REQUIREMENT ?

4. DEPARTMENT POUCHING COPY OF LETTER AND MEMORANDUM FROM TRANSPORTATION INSTITUTE. VANCE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CARGO  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 10 jan 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 jan 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE006732  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** CTAYLOR, JR.:W  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Previous Classification:** n/a  
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**Reference:** 77 STATE 259188  
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**SAS ID:** 3797581  
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**Status:** NATIVE  
**Subject:** REPORTED KUWAITI CARGO PREFERENCE MEASURES  
**TAGS:** EWWT, KU  
**To:** KUWAIT  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
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